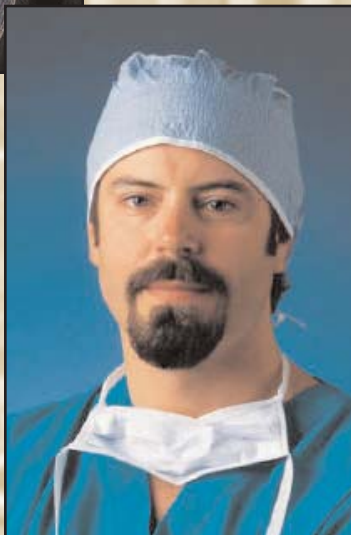


Missouri Department of Labor
and Industrial Relations

2007 ANNUAL REPORT





***“We owe it to Missourians
to foster an economic climate
that creates good,
family-supporting jobs.”***

– Gov. Matt Blunt



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

421 EAST DUNKLIN STREET

P.O. Box 504

JEFFERSON CITY, MO 65102-0504

PHONE: 573-751-9691 FAX: 573-751-4135

www.dolir.mo.gov E-mail: diroffice@dolir.mo.gov

MATT BLUNT
GOVERNOR

OMAR D. DAVIS
DEPARTMENT DIRECTOR

It is with great pleasure that I present to you the 2007 Annual Report of the Missouri Department of Labor and Industrial Relations. This report provides a summary of the programs and services provided by the Department to support Missouri's employers and employees. Highlighted within, are significant improvements and changes that occurred during the year.

The Department is charged with providing a variety of services and information that promote economic security, safe and healthy workplaces, and protection to wage earners. We work closely with the Missouri Legislature for Second Injury Fund solvency and other legislative priorities. It also is our duty to administer state and federal laws regarding employer and employee rights and responsibilities.

In 2007, the Department worked toward achieving a set of established benchmarks designed to rate our success and chart our progress. The performance measures are used to assist the Department in gauging its success in meeting customer needs.

Throughout the past year, the Department worked to implement programs and policies that would further improve the working conditions of our workforce. It is also our mission to promote these services and educate the public on how they would be affected by the changes. Included in this report is a summary of the accomplishments and challenges faced by the Department in 2007. We look forward to assisting customers and providing improved services in the years ahead.

Sincerely,

A handwritten signature in black ink, appearing to read "Omar D. Davis", is written over a light blue horizontal line.

Omar D. Davis
Director

Table of Contents

Introduction



Department Overview.....	4
Contact Us.....	5
Important Telephone Numbers	6
Year in Review.....	7

Performance Measures



Secure Workforce.....	16
Prepared Workforce	19
Safe Workforce	23

Department Details



Labor and Industrial Relations Commission	26
Division of Employment Security	27
Division of Workers' Compensation.....	28
Division of Labor Standards	29
Missouri Commission on Human Rights	30

Proposed Legislation



Division of Employment Security's Recommendations.....	32
Division of Workers' Compensation's Recommendations	33

Financial Summary



State Fiscal Year 2007	36
------------------------------	----

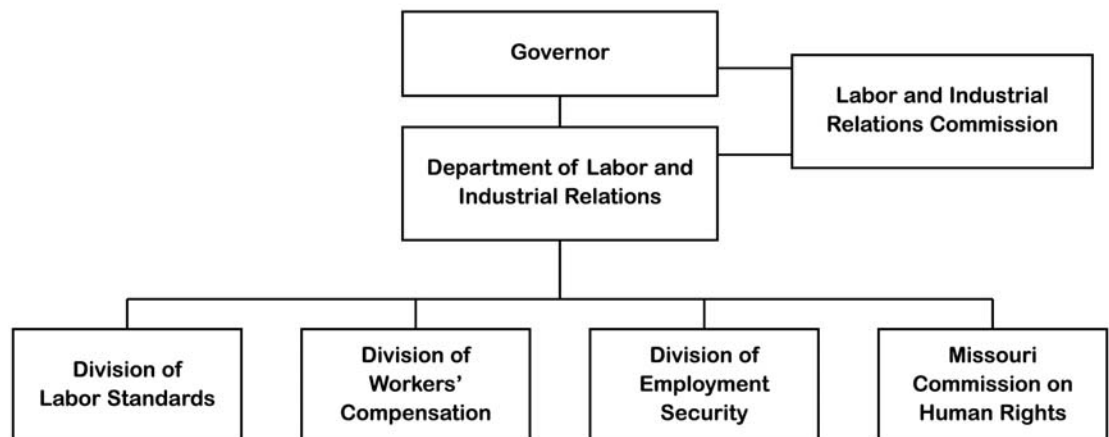
Introduction



Department Overview

The Omnibus State Reorganization Act of 1974 established the current Department of Labor and Industrial Relations. The Department is responsible for administering programs that (1) provide an income contribution for workers to offset the time lost from a job because of injury; (2) provide an income contribution for workers to offset the loss of a job because of layoff; (3) determine the appropriate bargaining unit for public employees; (4) establish and enforce wages for public works construction projects; (5) promote safe working environments; (6) enforce Missouri's anti-discriminatory statutes in the areas of housing, employment and public accommodation; and (7) investigate allegations of workers' compensation fraud and noncompliance.

Agencies operating within the Department are: Labor and Industrial Relations Commission, Division of Labor Standards, Division of Workers' Compensation, Division of Employment Security and the Missouri Commission on Human Rights.



Refer to pages 26-30 for a complete listing of all agencies and services offered by the Missouri Department of Labor and Industrial Relations.

Vision

For businesses and employees succeeding together in safe and healthy workplaces free from unlawful discrimination.

Mission

To promote and protect industry and labor.

Values

The Department of Labor and Industrial Relations believes in the following principles to accomplish its vision and mission:

Excellence - Impartiality - Integrity - Respect - Stewardship

Office of the Director

421 East Dunklin Street
P.O. Box 504
Jefferson City, MO 65102-0504
Telephone: 573-751-9691
Fax: 573-751-4135
Home page: www.dolir.mo.gov
E-mail: diroffice@dolir.mo.gov

Labor and Industrial Relations Commission

3315 West Truman Boulevard
P.O. Box 599
Jefferson City, MO 65102-0599
Telephone: 573-751-2461
Fax: 573-751-7806
Home page: www.dolir.mo.gov/lirc
E-mail: lirc@dolir.mo.gov

Division of Employment Security

421 East Dunklin Street
P.O. Box 59
Jefferson City, MO 65104-0059
Telephone: 573-751-3215
Fax: 573-751-4945
Home page: www.dolir.mo.gov/es
Claimant E-mail: esuiclaims@dolir.mo.gov
Employers E-mail: esemptax@dolir.mo.gov
Appeals E-mail: appealstribunal@dolir.mo.gov

Division of Workers' Compensation

3315 West Truman Boulevard
P.O. Box 58
Jefferson City, MO 65102-0058
Telephone: 573-751-4231
Fax: 573-751-2012
Home page: www.dolir.mo.gov/wc
E-mail: workerscomp@dolir.mo.gov

Division of Labor Standards

3315 West Truman Boulevard
P.O. Box 449
Jefferson City, MO 65102-0449
Telephone: 573-751-3403
Fax: 573-751-3721
Home page: www.dolir.mo.gov/ls
E-mail: laborstandards@dolir.mo.gov

Missouri Commission on Human Rights

3315 West Truman Boulevard
P.O. Box 1129
Jefferson City, MO 65102-1129
Telephone: 573-751-3325
Fax: 573-751-2905
Home page: www.dolir.mo.gov/hr
E-mail: mchr@dolir.mo.gov

Important Telephone Numbers

Employee

Unemployment Insurance

(To file for benefits or to get claims information)

Toll Free: **800-320-2519**

Or locally at: Jefferson City: **573-751-9040**

Kansas City: **816-889-3101**

Springfield: **417-895-6851**

St. Louis: **314-340-4950**

Workers' Compensation

Employee Information Line:

800-775-2667

Employer

Unemployment Insurance

Unemployment Insurance Tax/Appeal Information:

573-751-3215

Unemployment State Tax Automated Reporting (USTAR):

573-751-1995

Workers' Compensation

Employer Information Line:

888-837-6069

All Inquiries

Wage and Hour Information

(Questions regarding lunch, breaks, vacation pay, overtime and more)

Workplace Safety and Health Information

Prevailing Wage Information

573-751-3403

Discrimination Claims

(Discrimination in Employment, Housing and Public Accommodations)

573-751-3325

Appeal Information

(Highest level appeal information regarding unemployment insurance, workers' compensation, crime and tort victims, as well as prevailing wage)

573-751-2461

Changes Made to Missouri's Minimum Wage Law

Hourly wage increased from \$5.15 to \$6.50 per hour

An adjustment to Missouri's minimum wage law went into effect Jan. 1, 2007, increasing the minimum wage from \$5.15 to \$6.50 per hour. The law also requires the Director of the Department of Labor and Industrial Relations to measure the increase or decrease in the cost of living percentage and to adjust the state minimum wage annually, based on changes in the Consumer Price Index.

To assist employers and employees in understanding the new minimum wage law, the Division of Labor Standards launched a new web site at www.dolir.mo.gov/lis/minimumwage/. The web site provides answers to frequently asked questions, links to ballot language and additional state and federal contact information.

The minimum wage law applies to all businesses/employees that are not specifically exempted. Any business, except retail or service businesses whose annual gross volume sales or business done is less than \$500,000 needs to pay non-exempt employees the minimum wage.

The change in the law gives the Missouri Division of Labor Standards the responsibility to educate the public and investigate complaints to assure compliance with the new minimum wage law.

Missouri Department of Labor and Industrial Relations

Home | Workers | Businesses | Labor Laws | FAQs | Forms | Contact Us

Division of Labor Standards

Resources

- Subscribe to our newsfeed
- Minimum Wage Statute
- Minimum Wage and Overtime Rules
- Fair Labor Standards Act
- Reference Guide for FLSA
- 2006 Minimum Wage Ballot Language

Law Summary

- Summary for Businesses to Post
- Bilingual Summary for Businesses to Post (Must be printed on 8.5 x 14 paper)

Complaints

- Minimum Wage Complaint Form

Contact Us

Division of Labor Standards
 Wage & Hour Program
 Post Office Box 449
 3315 W. Truman Blvd.
 Jefferson City, MO 65102
 (573) 751-3403
 Fax: (573) 751-3721
minimumwage@dolir.mo.gov

Missouri Minimum Wage Law

This webpage provides information for employers and employees on Missouri's Minimum Wage Law which went into effect January 1, 2007.

Answers to frequently asked questions about Missouri's Minimum Wage Law

- When do I have to start paying the Minimum Wage?
- Is there any exemption for the small business employer so I will not have to pay the Minimum Wage?
- If I am making \$6.50 now, will I get an increase January 1st?
- Where can I get additional information regarding the law changes?
- Will a new Minimum Wage poster be available?
- When will my employer have to pay me the Minimum Wage?

Find out more about Missouri's Minimum Wage Law on the Division of Labor Standards' Web site.

National Directory of New Hires Used to Detect Fraud

The Division of Employment Security experienced great success in detecting unemployment insurance overpayments by using the National Directory of New Hires (NDNH). The NDNH allows the Division to detect when a person unlawfully receives Missouri unemployment insurance benefits after returning to work with a new employer, virtually anywhere in the United States.

In the nine months ending Sept. 30, 2007, the Division established 16,153 overpayments totaling \$12,629,818. The NDNH accounted for 2,981 overpayments with a total of \$1,687,357.90.

The NDNH has proven to be quite useful in detecting individuals attempting to defraud the system. One of the most beneficial results of the tool is that it allows the Division earlier detection of fraudulent activity.

Missouri Collects Nearly \$90 Million in Delinquent Taxes, Penalties, Overpayments

From Jan. 1, 2007 through Sept. 30, 2007, the Missouri Division of Employment Security collected \$89,585,901.98 in unemployment insurance (UI) delinquent taxes, penalties, interest and benefit overpayments from employers and claimants.

The Division collected \$8,465,062.98 in restitution for overpaid benefits and monetary penalties from claimants. The most common reasons for improper payment are the collection of UI benefits after returning to work or concealing information on the weekly claim



Benefits Payment Control Staff collects overpayment benefits from individual unemployment claimants



Contributions Field Collections Staff collects overpayment benefits from businesses

that would have made employees ineligible for benefits.

Also from Jan. 1 through Sept. 30, 2007, the Division collected \$81,120,839 in delinquent taxes, penalties and interest from employers. Penalties are imposed if an employer fails to file any required report by the specified due date. Interest accrues on contributions that are due and unpaid after each quarterly due date.

Southeast Missouri Mining Companies Earn Safety Awards

On April 5, 2007, an awards banquet was held in Farmington, Mo., to present awards to southeast Missouri mining and smelting companies, as well as contract companies for excelling in mine safety and health. The Department's Mine and Cave Safety and Health Program partners with the Southeast Missouri Mine Safety Association (SEMMSA) each year to present the awards.

Most recipients of the Best Safety Record Award have zero lost-time injuries. Other criteria for this award include number of reportable hours and injuries.

The Mine and Cave Safety and Health Program provides no-cost training and consultation to mine owners and workers, as well as contractors, through a grant from the U.S. Department of Labor's Mine Safety and Health Administration.

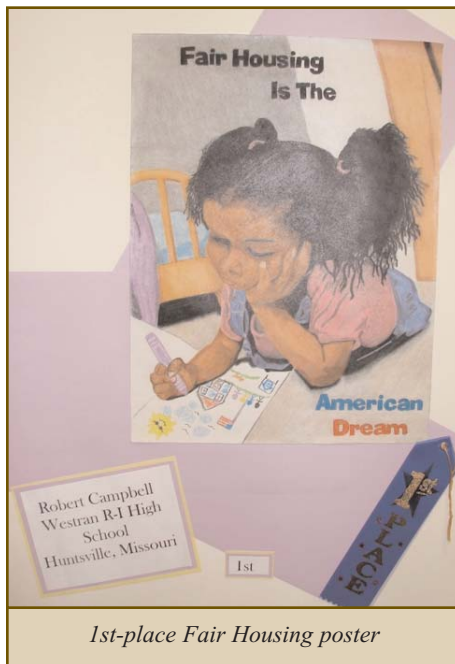
Public Opinion sought on Rules for Occupational Titles

The Missouri Department of Labor and Industrial Relations sought the public's opinion on rules promulgated for occupational titles of work descriptions under the Missouri Prevailing Wage Act.

Missouri's Prevailing Wage Act requires that workers on public works construction projects are paid at least the prevailing rate received by workers engaged in work of a similar character in the particular locality.

The Department accepted written comments from Missourians in order to receive feedback for improvements to the rules.

When creating occupational titles and their descriptions, the Department considers collective bargaining agreements, the federal Dictionary of Occupational Titles (published by the U.S. Department of Labor) and the opinions of experts from organized labor as well as contractors and contractor associations.



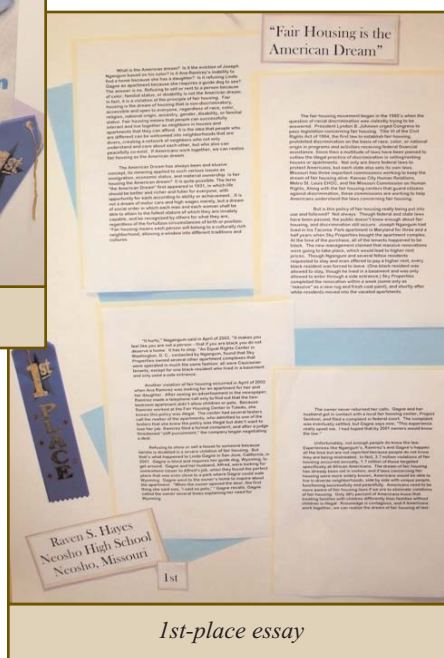
1st-place Fair Housing poster

Students Honored for Fair Housing Poster and Journalism Contests

In April, six students were honored at a recognition luncheon for their creative posters and essays submitted in the 2007 Fair Housing Poster and Journalism Contests sponsored by the Department's Missouri Commission on Human Rights.

Contest guidelines required students to design a poster or write an essay based on the theme, "Fair Housing is the American Dream." Recipients from each contest were selected to receive \$500 for first place; \$250 for second place; and \$100 for third place. Schools of winning students received the same amount of prize money as awarded the students. The prize money comes from a partnership initiative grant from the U.S. Department of Housing and Urban Development (HUD).

The purpose of the Poster and Journalism Contests is to recognize and reward excellence in art and journalism while increasing awareness of housing discrimination issues among Missouri's youth. Both contests were open to students in grades 7-12.



1st-place essay

Department Honors World War II Working Women through Exhibit

The Department of Labor and Industrial Relations partnered with the National Archives – Central Plains Region to honor working women during World War II.

To honor the women, a temporary photo exhibit entitled, WOWs!: Women Ordnance Workers of the Cornhusker Ordnance Plant (COP), was on display at various locations throughout the state.

From April 4 through June 1 the exhibit was on display at the Missouri Department of Labor, 421 East Dunklin St., in Jefferson City; from

July 2 through Aug.

31 the exhibit was

on display at the

Missouri

Department of

Labor, 505 East

Walnut St., in

Springfield; and

from Sept. 13

through Nov. 13 the

exhibit could be

viewed at the

Missouri

Department

of Labor,

1410

Genessee

St., in

Kansas City. The display featured more than 50 photographs, as well as select posters from World War II. Each site hosted a reception unveiling the exhibit, which included remarks by Gov. Matt Blunt or other dignitaries.

During World War II, the nation's workforce included more than 3 million women who worked in plants across the United States. Working women were



vital to the war effort, as the loss of men to military service left a workforce shortage in many areas. The U.S. government launched a major public relations campaign to encourage women to work. The use of an invented character – “Rosie the Riveter” – was a powerful propaganda piece.

The COP located in Grand Island, Neb., was one of 60 ammunition plants built across the United States during World War II by the U.S. Army. The plant was responsible for building bombs and artillery shells. The photo exhibition depicted the type of work women did at the COP.



May Proclaimed “Safe Jobs for Youth Month”

The Missouri Division of Labor Standards kicked off its annual “Safe Jobs for Youth” campaign in preparation for the many summer jobs that youth will fill as they enter the workforce. The campaign is designed to focus on preventing youth injuries in the workplace. To help jumpstart this initiative, Gov. Matt Blunt proclaimed May as “Safe Jobs for Youth Month.”

Missouri’s child labor law restricts the age, number of hours and occupations youth can work. Prohibited occupations generally involve dangerous equipment, materials and duties.



The Division of Labor Standards offers employers several resources to assist them in keeping their working youth safe. Employers can take advantage of a free, On-Site Consultation program to help them maintain hazard-free workplaces. In addition, Division staff is available to conduct training, offer presentations, attend conferences and answer general requests for assistance.

To further protect Missouri’s teens, the Department of Labor encourages employers, parents and youth to visit www.teensworksafe.com for more information regarding youth workplace safety.

State Intercepts Nearly \$5 Million to Benefit Missouri Children

In July 2007, Gov. Matt Blunt announced that his administration redirected almost \$5 million to benefit the state’s children and families through an inter-agency program. The money was collected from unemployment insurance benefit payments during the first six months of 2007 to pay for delinquent child support payments.

From Jan. 1 through June 30, 2007, the Missouri Department of Labor and Industrial Relations’ Division of Employment Security intercepted \$4,990,879 in child support from unemployment insurance benefit payments. The program is a partnership between state agencies to cross match information to determine whether a noncustodial parent that owes child support is receiving unemployment insurance benefits. Agencies work together to determine the appropriate intercept amount.

The Child Support Intercept Program celebrated its 25th anniversary in May 2007. Deductions from unemployment benefits checks for delinquent payment of court-ordered child support have resulted in more than \$140 million paid for Missouri children since the program’s inception in 1982.

State's Early Pay Off of Federal Debt Results in More Than \$2 Million in Savings to Missouri Employers

On May 25, 2007, the state reversed a \$288 million deficit by paying \$135,456,624 to the U.S. Department of Labor, signaling the end of a period of insolvency for the fund that pays benefits to unemployed workers. The Missouri Department of Labor and Industrial Relations paid the debt four months before the end of the federal fiscal year, saving Missouri employers \$2,205,688 in interest charges.

Through a combination of factors, including better management, legislative changes and an improving economy, Missouri has repaid hundreds of millions of dollars since January 2005. The governor's pro-jobs, pro-growth policies have contributed towards the state's economic growth. The Missouri Department of Labor and Industrial Relations has continued to monitor the solvency of the unemployment compensation fund to prevent future shortfalls that negatively impact Missouri's economy.

Tort Victims Receive Checks worth \$470,000

Mid year, the Missouri Department of Labor and Industrial Relations mailed checks worth \$470,000.02 to compensate victims through the Tort Victims' Compensation Program.

The program assists persons who have been injured due to the negligence or recklessness of another person and who have been unable to obtain full compensation because the party at fault had no insurance, filed for bankruptcy, and other reasons specified in law. The fund is a payor of last resort and can assist Missourians during a financial hardship.

The Tort Victims' Program received 37 claims during the 2005 annual claims period. Of these claims, 27 were granted benefits from the Fund. The amount of funds available to pay claims during the 2005 period was \$470,000.02. At the time of the 2005 Annual Claims Period, there were no funds available in the Tort Victims' Compensation Fund to pay claims. The Tort Victim's Compensation Law states that in the event there are no funds available for payment of claims, then the Division of Worker's Compensation may suspend all action related to valuing claims and granting awards until such time as funds in excess of \$100,000 have accumulated in the fund. In September 2006, the Division of Workers' Compensation was advised that the Tort Victims' Compensation Fund had received payment of more than \$180,000, and the Division began reviewing claims received during the 2005 Annual Claims Period. All checks were mailed in June 2007.

Division of Employment Security Implements Automation Initiatives

In response to Gov. Blunt's call for better use of automation in state government, the Division of Employment Security (DES) implemented three initiatives. Those initiatives include a new call management system for the Department's phone centers, new software for coding claimant's work history, and a new system for processing claims electronically. The three automation initiatives are highlighted below:

Call Center Routing Project:

The four regional claims centers of the DES receive and process a high volume of telephone calls from individuals filing claims for unemployment benefits. A new call routing system was installed that allows for efficient management of telephone calls and other unemployment insurance claims processing responsibilities. The new system also allows for greater call control and routing. Telephone calls can be quickly routed from any one of the four regional claims centers to the other centers when there are power outages or storms that reduce the availability of staff in an area.

O*Net SOC AutoCoder Software:

O*Net SOC AutoCoder software allows accurate coding of an unemployment insurance claimant's employment information so that a work search registration may be created in the Division of Workforce Development's (DWD's) GreatHires system. When a claim is filed, a description of the claimant's primary occupation is entered and the AutoCoder software returns a list of possible occupational codes. The best match is selected and this information, along with other supporting data, is transferred to the DWD, who also implemented software to accept the data. This information allows for immediate matching with available jobs within DWD's

GreatHires system. Claimants may be notified of possible job openings the day following an initial claim for unemployment insurance benefits being filed.


eFolder System:

The DES is implementing a new electronic folder system that will change the way regional claims centers process documents for unemployment insurance claims. Previously, documents were mailed or faxed and filed in paper folders and then imaged after a determination had been made. With the eFolder System, many of the documents that are sent to claimants and employers are bar coded. When the bar coded documents are returned by fax they are automatically routed into the appropriate folders and workbaskets as they come into the eFolder System. Documents received by mail or non bar-coded documents are scanned and routed to appropriate electronic folders and workbaskets.

When a heavy workload occurs in one Regional Claims Center (RCC), electronic folders may be assigned to another RCC without manually transporting the paper folders.



Division of Employment Security eFolder Implementation Team



***“Missouri’s economy is
prospering because of the
hard work and dedication
of all Missouri workers
and their employers.”***

– Gov. Matt Blunt

Performance Measures



The Department strives to promote the economic security of workers and their families.

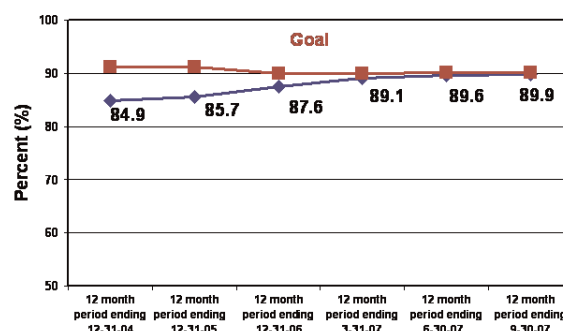
Filing of Unemployment Insurance Benefit Claims

The prompt payment of unemployment insurance benefits to eligible claimants is a primary objective for the Department. In state fiscal year 2007, the Department processed 375,951 initial, renewed and reopened claims. Of those workers filing a claim, 79.4 percent met the earnings requirements to establish monetary eligibility. Claimants are required to file for unemployment benefits each week. In state fiscal year 2007, 2,411,043 weekly claims were filed resulting in a total of \$420,098,000 paid in unemployment benefits.

UI Wages and Benefits

<u>State Fiscal Year</u>	<u>Average Weekly Wage</u>	<u>Average Weekly Benefit</u>
2001	\$ 598.68	\$ 194.68
2002	\$ 618.39	\$ 204.60
2003	\$ 631.01	\$ 205.72
2004	\$ 643.67	\$ 205.35
2005	\$ 663.68	\$ 205.03
2006	\$ 684.61	\$ 208.23
2007	\$ 707.34	\$ 219.27

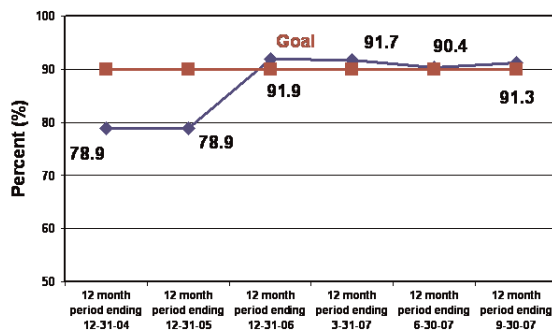
90.1% of unemployment insurance intrastate first payments made within 14 days of compensable week



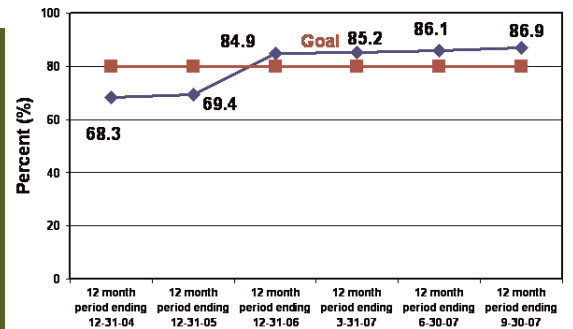
Filing of Work-Related Injuries

Nearly 130,000 workers' compensation injuries were reported in state fiscal year 2007. Providing prompt and equitable resolution of these cases requires that each case have accurate and complete information and that the information is received in a timely manner.

90% of workers' compensation first reports of injury filed by insurers/self-insured employers within 30 days of injury

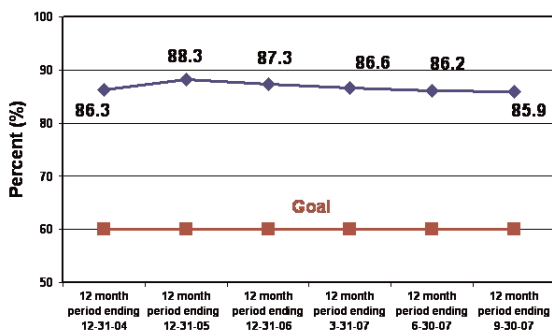


80% of workers' compensation decisions by Administrative Law Judges issued within 75 days



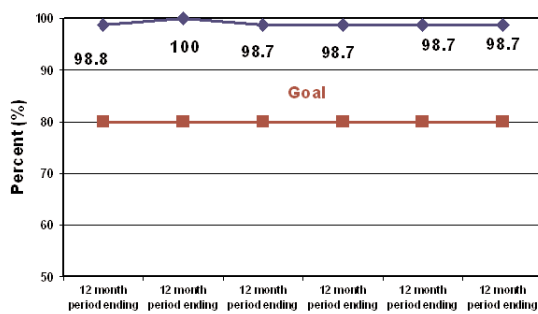
Processing of Unemployment Insurance Appeals Claims

60% of unemployment insurance appeals decisions are issued by the Appeals Tribunal within 30 days



The Unemployment Insurance Program provides due process hearings for all appeals arising under the unemployment insurance law and other special programs. In state fiscal year 2007, 28,777 cases were filed with the Division of Employment Security's Appeals Tribunal.

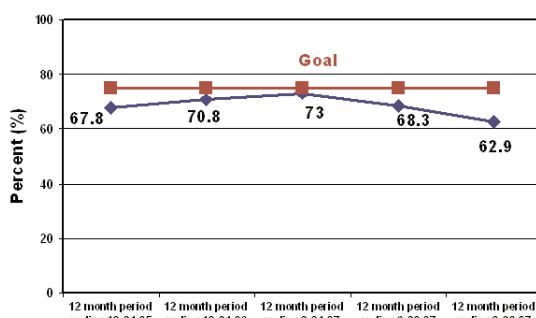
80% of unemployment insurance appeals meet federal quality standards



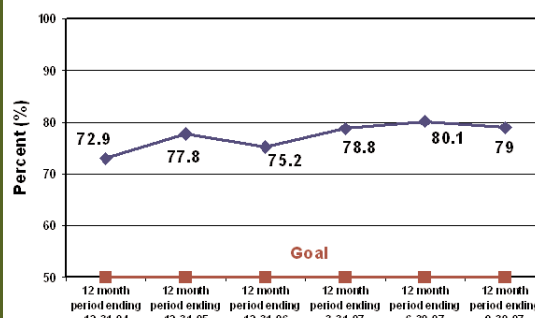
Processing Appeals at the Highest Administrative Level

The Labor and Industrial Relations Commission hears appeals of unemployment insurance, workers' compensation, prevailing wage, and tort victims' compensation at the highest administrative level. In state fiscal year 2007, 530 workers' compensation cases and 4,342 unemployment insurance cases were appealed to the Commission.

75% of workers' compensation appeals related to awards issued by the Labor and Industrial Relations Commission within 180 days

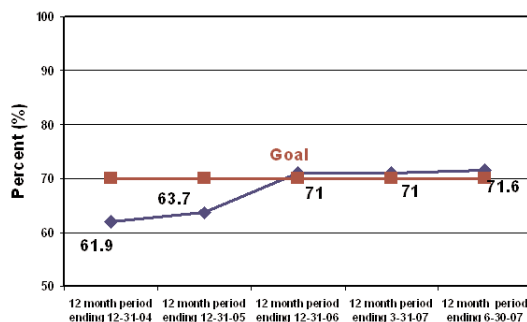


50% of unemployment insurance appeals to the Labor and Industrial Relations Commission issued within 45 days



Reemployment of Unemployed Workers

70% of unemployment insurance claimants reemployed within the quarter following their first payment

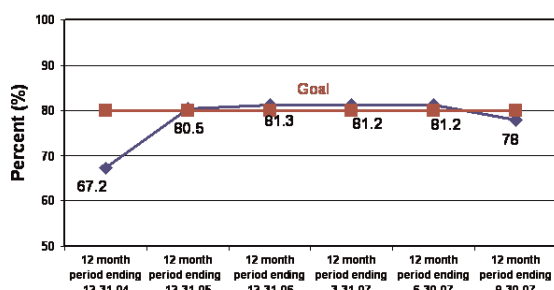


While the Department is not directly responsible for assisting Missourians with job placement, there are many functions the unemployment insurance program performs that help individuals become reemployed. The Department performs many functions designed to help beneficiaries become reemployed, including referral to employment services, benefits rights interviews that help beneficiaries understand their responsibilities in making job search contacts, and reviews of job search activities for appropriateness and methods being used.

The Department works to secure economic security, enhance opportunities for Missouri workers and enforce anti-discrimination laws.

Review of Unemployment Insurance Benefit Claims

80% of unemployment insurance nonmonetary decisions on separation issues completed within 21 days



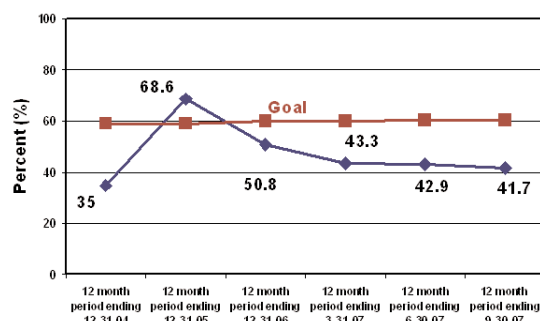
In addition to meeting the earnings requirement for unemployment insurance benefits, claimants must also meet the non-monetary provisions of the law relating to job separation and eligibility when claiming unemployment benefits. Job separations for reasons other than a lack of work (quits, discharges, etc.) or refusals of suitable work will raise an issue that must be examined for potentially disqualifying information.

In fiscal year 2007, 107,900 separation determinations were issued.

Collection of Unemployment Insurance Overpayments

The collection of unemployment insurance overpayments is a high priority for the Department. Before the collection can occur, staff must review unemployment insurance claims to determine if the person who received the payments was eligible and received the correct amount. In state fiscal year 2007, a total of 21,123 separate overpayment cases were detected and established for recovery, resulting in the identification of \$16,450,549 in overpayments.

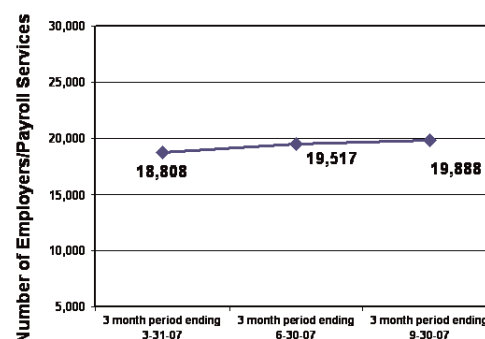
60.5% of unemployment insurance overpayments will be established for recovery



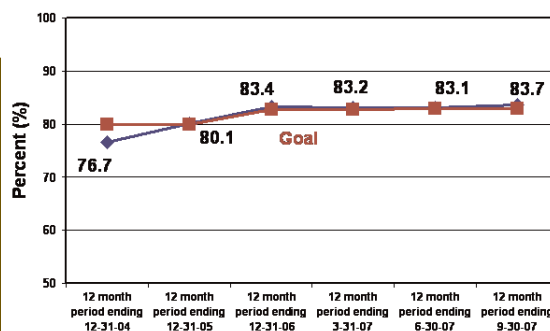
Collection of Unemployment Insurance Contributions (Taxes)

Ensuring employers accurately classify their workers, report workers' wages and pay the correct amount of unemployment contributions (taxes) appropriately contributes to accurate and timely wage reporting. In January 2005, the Department implemented the Unemployment State Tax Automated Reporting (USTAR) system which allows employers to file quarterly contribution and wage reports and submit payments over the Internet. Since its inception, the Department has focused on increasing the number of employers and payroll service companies that file their quarterly information through USTAR.

20% increase in the number of employers/payroll service companies that file quarterly contribution and wage reports through USTAR (from 18,466 to 22,159) by December 31, 2007



83% of unemployment insurance determinations about unemployment insurance tax liability of new employers made within 90 days



USTAR Login Page

Missouri Department of Labor and Industrial Relations

Division of Employment Security

Unemployment State Tax Automated Reporting System

Welcome to USTAR

USTAR makes filing your Missouri unemployment tax reports easier than ever! It automatically calculates total, excess and taxable wages and the contributions due. Take the [Online Tour](#) or view [Frequently Asked Questions](#) to become familiar with USTAR.

USTAR has been tested with Internet Explorer 5.0, Firefox 1.0 and Netscape 7.1, or newer versions. Earlier versions of Internet Explorer, Netscape and some other browsers may not work with this application. [System requirements](#) are available for review.

It is recommended reports and/or payments be submitted at least two business days prior to the due date to avoid unforeseen network problems that may result in interest and/or penalty.

If you experience any problems, please call our help desk at (573) 751-1995, Monday thru Friday, 8:00 AM to 5:00 PM CT (except [holidays](#)). Or send an email to mo-ustar.helpdesk@dolir.mo.gov.

For security reasons, please logout of USTAR when finished. USTAR is designed to logout after remaining on one page for 30 minutes. However, auto logout does not save data nor does it ensure the session has been closed.

If you start a report and cannot complete it within 30 minutes, click the Save & Quit button. Saved data can be retrieved for up to 30 days.

The Division of Employment Security does not recommend using USTAR on a shared personal computer.

Sign in to USTAR

By logging onto USTAR, you acknowledge you have read and agreed to the [Terms of Use](#).

User ID

Password

[Forgot Password](#)

First Time User

[Instructions](#)
[Register](#)

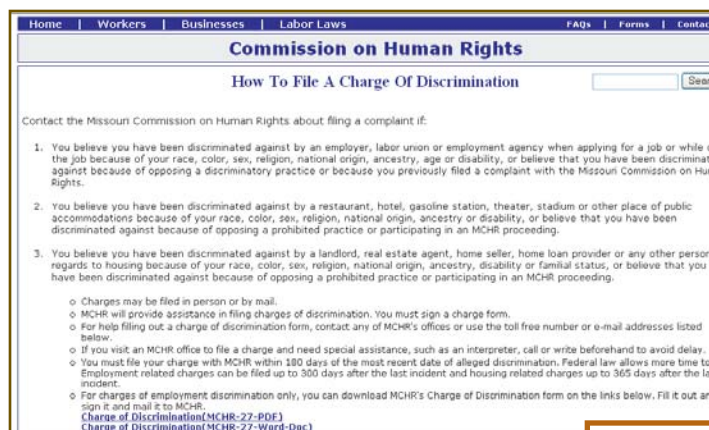
MISSOURI: Div. Employment Security | Dept. of Labor & Industrial Relations | State Government

Email ESemptax | Disclaimer | HOME

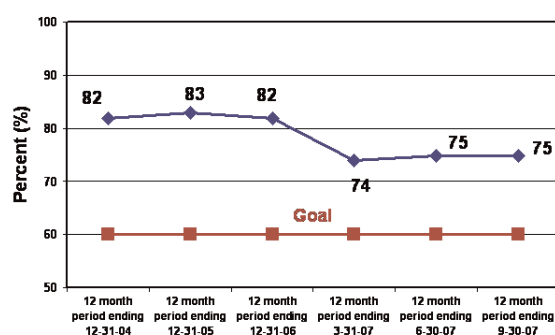
Following Missouri Anti-Discrimination Laws

A prepared workforce includes citizens that are safe from discrimination in the areas of employment, housing and public accommodation. Missourians must feel secure at their job, have adequate housing and have the accommodations necessary to be productive citizens at work in the community.

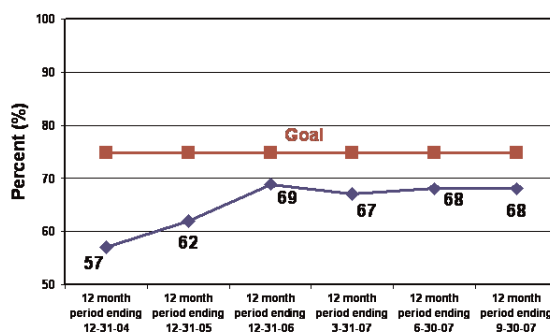
In state fiscal year 2007, 10,865 inquiries about filing a discrimination complaint were received. During the same period, 1,866 complaints were filed. Eighty-two percent of cases filed alleged discrimination in employment, 10 percent in housing and 8 percent in public accommodations.



60% of human rights investigations involving housing completed within 100 days of complaint receipt



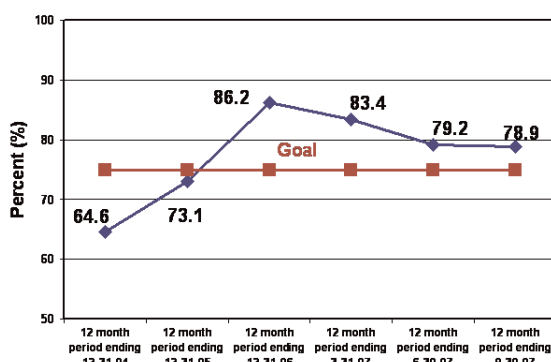
75% of human rights charges involving employment and public accommodations resolved within 180 days



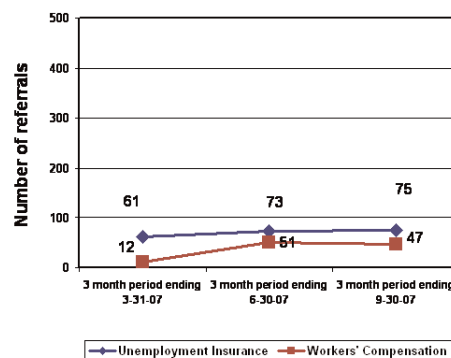
Unemployment and Workers' Compensation Fraud

The Department is focused on identifying and prosecuting fraudulent unemployment and workers' compensation cases. An increased effort was made this year to strengthen partnerships between the Department and the U.S. Department of Labor's Office of Inspector General and the Missouri Attorney General's Office. The expanded partnerships will allow for better detection and prosecution of individuals attempting to defraud the unemployment insurance or workers' compensation systems.

75% of workers' compensation, fraud and noncompliance cases, processed within 120 days



5% increase in the number of fraudulent/noncompliance cases referred for prosecution in unemployment and workers' compensation cases by December 31, 2007

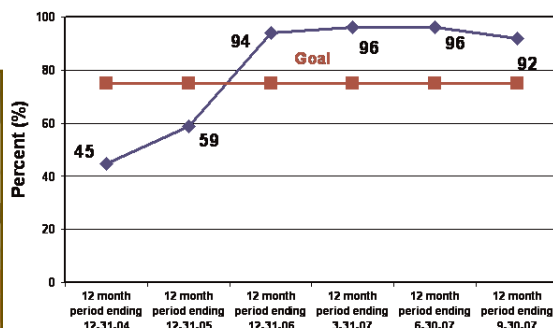


Earning Correct Wages

The Department is responsible for establishing a prevailing wage rate, plus fringes, that must be paid to workers on public works construction projects in Missouri, such as bridges, roads and government buildings. To ensure the law is followed and wage earners collect their appropriate wages, the Department investigates allegations of incorrect payment of wages.



75% of labor standards investigations on complaint cases involving prevailing wage closed within an average of 120 days

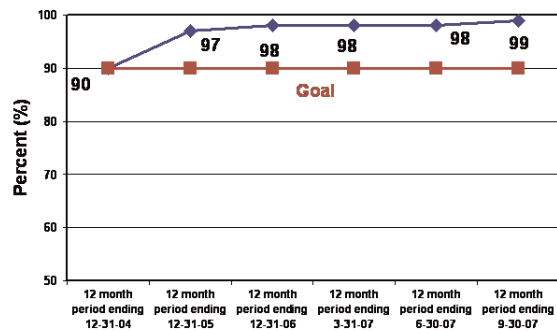


The Department offers safety and health programs to help reduce workplace accidents, illnesses and fatalities.

Youth Employment

Each year, many youth are injured on the job. The Department investigated and resolved 5,866 violations of Missouri's Child Labor Law in state fiscal year 2007 and positively impacted the lives of 1,324 working youth. Correction of violations leads to youth working in safe and healthy workplaces which permits better achievement of educational goals.

90% of labor standards investigations on cases involving child labor completed within 120 days



**Working Past 7 o'clock
Affects More
Than Your Paycheck**



**Know the guidelines
for working teens.**

To find out more, go to
www.TeensWorkSafe.com
or contact us at 573-751-3403

TeensWorkSafe.com is a program of the Missouri Division of Labor Standards.

www.dolir.mo.gov

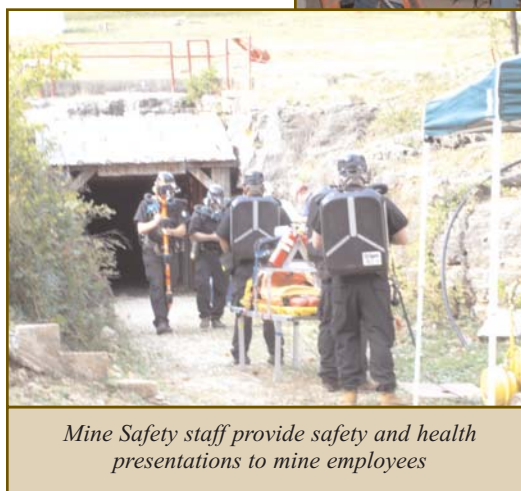
Safe and Healthy Workplaces

Unsafe and unhealthy workplace practices endanger the health and safety of Missouri's workforce and can hinder the educational opportunities and development of working youth. The Department offers three safety and health programs that help educate employers and employees about their workplace rights and responsibilities. The Department provides workplace consultations and conducts educational trainings and presentations to employers and insurance companies. Over the past 10 years, Missouri has witnessed a significant decrease in the number of workplace injuries reported.

The Division of Labor Standards' On-Site Safety and Health Consultation Program saved employers more than \$3 million in OSHA fines in fiscal year 2007.

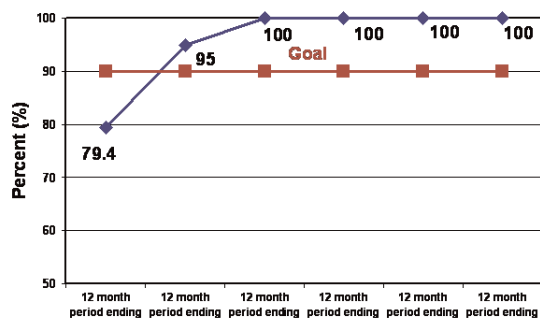


On-Site Safety and Health Consultant educates employers and employees about workplace safety

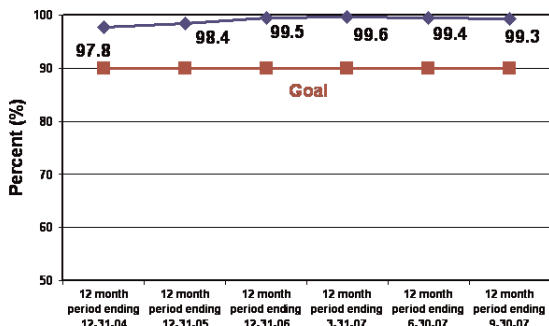


Mine Safety staff provide safety and health presentations to mine employees

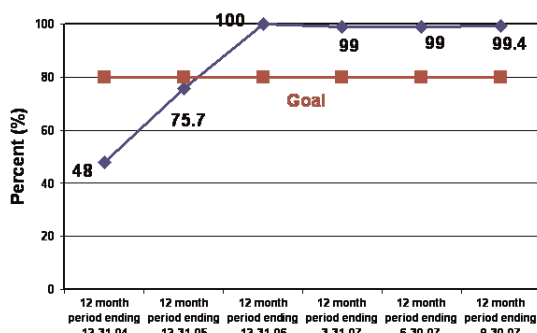
90% of labor standards inspections involving mine and cave safety made within 14 days



90% of labor standards safety and health initial consultation visits conducted in high hazard industries



80% of labor standards occupational safety and health written reports prepared and sent to employers within 14 days



Clar·i·ty
Clan·guā (k'lǎn
Clark
Beauchamp
Meyers.

Labor and Industrial Relations Commission



William F. Ringer
Chair



Alice A. Bartlett
Commissioner



John J. Hickey
Commissioner

State Fiscal Year 2007

- 4,458 Unemployment Insurance Appeals Decisions Issued
- 581 Workers' Compensation/Crime Victim Appeals Decisions Issued
- 2 Prevailing Wage Objection Decisions Issued
- 15 Public Sector Labor Petitions Filed

The Labor and Industrial Relations Commission is composed of three members. Each Commissioner is appointed to a staggered six-year term by the governor with the advice and consent of the Senate. One member of the Commission, a licensed Missouri attorney, who is qualified by reason of previous activities and interests, represents the public. Another member represents employers and the remaining member represents employees. The governor designates a member of the Commission as chair. Historically, the representative of the public has been designated and confirmed as chair of the Commission. The present chairperson is the public member of the Commission.

The Commission hears appeals from decisions and awards in workers' compensation, unemployment compensation, crime victims' compensation and tort victims' compensation cases at the highest administrative level. In addition to these appellate duties, the Commission hears and decides prevailing wage disputes. The Commission is charged with the statutory authority to approve or disapprove most rules or regulations promulgated by the divisions within the Department.

The Commission nominates and the governor appoints, subject to the advice and consent of the Senate, a director of the Department of Labor and Industrial Relations to be the chief administrative officer.

Division of Employment Security



*Katharine Barondeau
Director*

Unemployment Insurance programs provide partial protection for workers against loss of wages during periods of involuntary unemployment. The benefits paid to insured workers bolster the economy of the state during periods of economic recession by

helping maintain the degree of consumer purchasing power.

The Division of Employment Security provides payment of unemployment insurance benefits to workers who become unemployed through no fault of their own. Eligible individuals may qualify for up to 26 weeks of unemployment compensation. One goal of the Division is to promptly supply payments of

unemployment benefits to eligible claimants. Individuals may file claims by telephone or via the Internet.

Payment of benefits under the regular program are made from a trust fund supported by contributions from employers and payments by certain governmental and nonprofit employers who reimburse in lieu of paying contributions. No part of the contribution is deducted from a worker's wages.

The Division collects contributions from Missouri employers for the payment of weekly unemployment benefits to qualified claimants. The Division of Employment Security ensures that employers are reporting their workers' wages and paying the correct contributions on those wages.

An independent appeals tribunal hears and decides appeals arising from determinations

made by Division of Employment Security deputies in unemployment benefits cases. Referees conduct hearings and issue written decisions in regular unemployment insurance benefit appeals, appeals involving the tax liability of an employer and other special unemployment insurance programs.

State Fiscal Year 2007

139,148	Employers Liable for Contributions
15,839	New Employer Accounts Established
\$546,690,316	Employer Contributions Collected
2,703	Employer Compliance Audits Completed
375,951	Initial Claims Filed
\$420,098,000	Unemployment Insurance Benefits Paid
\$8,569,475	Unemployment Insurance Overpayments Collected
28,777	Appeals Filed

Visit us on the Web @ www.dolir.mo.gov/es/

Division of Workers' Compensation

The Division of Workers' Compensation works with employers and employees regarding workplace injuries and illnesses. Many Missouri employers are required by law to carry workers' compensation insurance for employees. Workers' compensation insurance provides financial assistance to workers injured on the job. The Division helps ensure that those injured workers receive appropriate medical treatment and payment of compensation for lost wages.

The Division also oversees the funding and adjudication of the Second Injury Fund, which compensates injured employees when a current work-related injury combines with a prior disability to create an increased combined disability. The Fund also is utilized for paying medical bills of injured employees when the employer fails to insure its workers' compensation liability. In addition, if the employee is killed, burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents of the employee are paid from the Fund if the employer is uninsured.

The Division also provides prompt and equitable resolution of disputes in cases of work-related injuries and occupational diseases. Mediation services are provided to help employers and employees resolve disputes about medical treatment and lost wages. This helps prevent costly depositions or formal hearings.

To ensure compliance with workers' compensation laws, the Fraud and Noncompliance Unit conducts confidential investigations of all allegations of workers' compensation fraud and noncompliance on the part of employees, healthcare providers and employers, including situations when an employer fails to carry required workers' compensation insurance (noncompliance). If fraud or noncompliance is evident, the case is referred to the Office of the Attorney General for prosecution.



Jeff Buker
Director

State Fiscal Year 2007

129,633	First reports of Injury (workplace injuries) Filed
916	Number of Hearings (cases that go before an ALJ)
31,836	Total WC Awards and Settlements
984	Fraud and Noncompliance Cases Investigated
158	Fraud and Noncompliance Cases Referred for Prosecution

Visit us on the Web @ www.dolir.mo.gov/wc/



James Boeckman
Acting Director

The Missouri Division of Labor Standards provides information about workplace issues and enforces certain labor laws within the state. The Division can provide information about worker safety and health, mine and cave safety, complying with laws regarding child labor,

prevailing wage, minimum wage, overtime and dismissal rights, as well as many other general workplace issues.

The Division of Labor Standards consists of four sections:

1. Wage and Hour Section
2. On-Site Safety and Health Consultation Program
3. Mine and Cave Safety and Health Program
4. Missouri's Worker Safety Program

Labor Standards' Wage and Hour Section helps Missourians get correct information regarding wages, work hours, vacations, lunches, hiring and more. Employers and employees are provided information on their workplace rights and responsibilities. More than 18,000 phone calls are answered each year.

The Wage and Hour Section also administers Missouri's Child Labor, Minimum Wage and Prevailing Wage laws. They help employers protect children's safety, health, morals, educational processes and general well-being. In addition, the Division is responsible for compiling

wage surveys to set the prevailing wage, providing educational outreach and conducting investigations to ensure the prevailing wage and minimum wage laws are followed.

The Division's On-Site Safety and Health Consultation and Mine and Cave Safety and Health programs strive to reduce work-related injuries, illnesses and fatalities by educating and training employers and employees on workplace safety and health issues. The Division performs consultations and inspections of work sites, during which division employees identify job hazards and offer recommendations for hazard correction and elimination. The On-Site Safety and Health Consultation Program provides no-cost, on-site safety and health consultations with no penalties or fines for Missouri employers with up to 250 employees.

The Missouri Workers' Safety Program evaluates and certifies the safety programs of workers' compensation insurance carriers in Missouri.

The Division's programs help Missouri's children, employers and employees participate in healthful and profitable working and educational experiences.

State Fiscal Year 2007

29	Child Labor Complaints Received
5,866	Child Labor Violations Found
197	Mines/Caves Inspected
3,627	Miners Trained
507	On-Site Workplace Consultations Conducted
165	Prevailing Wage Complaints Received
97	Prevailing Wage Violations Found
\$40,940	Prevailing Wage Penalties Collected

Missouri Commission on Human Rights

The 11-member Missouri Human Rights Commission provides equitable and timely resolution of discrimination claims through enforcement of the Missouri Human Rights Act. It develops, recommends and implements ways to prevent and eliminate discrimination in the workplace, public accommodations and housing. Discrimination based on race, color, religion, national origin, ancestry, sex, physical/mental disability, age and familial status is prohibited by the Act.

Any person has the right to file a written complaint of unlawful discrimination with the Commission on Human Rights. The Commission reviews and investigates the complaint and makes a determination whether there is probable cause to believe discrimination has occurred. If discrimination is found, conciliation is attempted. If the complaint is not resolved in conciliation, a public hearing may take place to adjudicate the matter.

The Commission also offers training to public and private employers, organized groups, school districts and housing providers on topics such as sexual harassment prevention, cultural sensitivity, disability sensitivity and fair housing information.



*Eric Krekel
Acting Executive Director*

Commission

Alvin Carter
Chairperson
Term expires 4-1-2011

Robert Charles Scott
Commissioner 1st District
Term expires 4-1-2007

Herman Elmore
Commissioner 2nd District
Term expires 4-1-2011

Christi Anne Checkett
Commissioner 3rd District
Term expires 4-1-2009

Susan Lee Pentlin
Commissioner 4th District
Term expires 4-1-2006

Joanne M. Collins
Commissioner 5th District
Term expires 4-1-2008

Daniel E. Champion
Commissioner 6th District
Term expires 4-1-2012

Adolfo Castillo
Commissioner 7th District
Term expires 4-1-2009

Abdeldjelil "DJ" Belarbi
Commissioner 8th District
Term expires 4-1-2007

Jaye A. Jackson
Commissioner 9th District
Term expires 4-1-2008

David Zimmerman
Commissioner At Large
Term expires 4-1-2010

State Fiscal Year 2007

1,866 Cases received
1,707 Decisions rendered

% Filed by Category

Employment.....82%
Housing.....10%
Public Accommodations..... 8%

% Filed by Type

Sex25.4%
Race27.7%
Retaliation.....28.0%
Disability26.8%
Age.....17.0%

Proposed Legislation



Introduction

The Missouri Department of Labor and Industrial Relations' Division of Employment Security and Division of Workers' Compensation are required to submit their legislative recommendations for amendments to the laws. The Divisions' recommendations are highlighted below:

The Division of Employment Security's Recommendations for Amendments to Missouri Employment Security Law

The Missouri Employment Security Law, chapter 288 of the Revised Statutes of Missouri (RSMo), was amended significantly by legislation in 2004 (HB 1268) and 2006 (HB 1456). That legislation modified several provisions related to taxes paid by employers and benefit eligibility requirements for claimants, which were aimed at improving the solvency of the trust fund used to pay unemployment benefits. As the legislative changes appear to be improving solvency, the Division of Employment Security (DES) does not recommend any major legislative changes at this time. The Division will continue to monitor the impact of the recent legislative changes and will work collaboratively with the Missouri State Unemployment Council to develop additional amendments when amendments appear to be needed to improve solvency.

While the DES does not recommend any significant amendments related to the solvency of the trust fund, the DES does recommend the following amendments to assist with the administration of Missouri's unemployment compensation system:

1. Modify Section 288.042, RSMo, to clarify that a Missouri resident who is a member of a reserve unit outside of Missouri may qualify for benefits under this section. The section also should be modified to clarify required collection activities related to overpaid benefits under the benefit program for war on terror veterans.
2. Modify Section 288.070, RSMo, to allow the DES to eliminate notification to any contributing employer in the base period of an unemployment insurance (UI) claim when the employer's account would not be subject to charges on the claim regardless of any actions taken by the employer or the DES on that claim.
3. Modify Section 288.070, RSMo, to remove the phrase "of continued claim" and replace it with "claimed" to clarify that each week in a claims series does not have to be claimed for an employer to be an interested party to a separation issue when a claimant is separated during a week that they have claimed unemployment benefits. In addition, this section should be amended to allow for electronic notice to employers or claimants who request such method of delivery.
4. Modify Section 288.040, RSMo, to stipulate that a weekly claim for benefits must be filed within 14 days from the last day of the week being claimed. The 14-day day period may, for good cause, be extended to 28 days. This section should be amended to provide that a claimant is ineligible for benefits if the claimant fails to participate in a reemployment and eligibility assessment

program as directed by staff of the DES or the Division of Workforce Development, unless the claimant has good cause for not participating.

The DES believes the provisions in these legislative proposals will help ensure Missouri's unemployment compensation program operates effectively and efficiently and will assist the agency in meeting its performance goals.

Division of Workers' Compensation Legislative Recommendations

Self-Insurance Default

The Division recently has required an increase in security levels for a number of current self-insured employers due to their less stable financial condition. The Division also has experienced an increase in requests for security releases from former self-insured employers. The Division is requesting the authority to obtain an actuarial study from a current or terminated self-insured employer when the employer disputes the Division's requirement to increase its security level or denies an employer's request to release security. This would allow the Division to more closely monitor its self-insured employers by requiring them to notify the Division if their ownership make-up or financial condition changes. Furthermore, this proposal allows the Division to accommodate employers' request that it accept irrevocable letters of credit as a form of security.

Tax and Surcharge Credit Refunds

The Division of Workers' Compensation recently had an issue with the refund of credits to insurance companies and self-insured employers who have overpaid their Workers' Compensation

Administrative Tax and Second Injury Fund Surcharge. This proposal would clarify that refunds may be made after determination of an overpayment unless other obligations are owed to the state or to the Division. This proposal would avoid the buildup of excess credits and the complications that subsequently arise regarding refunding those credits.

Electronic Reporting/Confidentiality

Approximately 90 percent of insurers and self-insured employers voluntarily report First Reports of Injury electronically. The receipt of this required form electronically provides an efficient and cost-effective method for reporting of information to the Division for both the Division and the reporter. The Division proposes requiring all insurance carriers and self-insured employers to report injuries electronically, thereby eliminating paper reporting and providing an efficient and consistent method of reporting and reducing costs. Requiring electronic reporting of First Reports of Injuries also would allow the Division future move toward electronic reporting of other required documents. Also, the Division proposes a change in the statutes that would clarify those Division documents that are deemed confidential. Current statutes do not clearly state which information is closed or open, and how and to whom certain information may be released.

Self-Insured Loss Experience

Self-insured trusts calculate experience modification factors for its members using the National Council on Compensation Insurance (NCCI) statistical plan and methodology. However, the information is not submitted to NCCI, nor is the resulting experience modification factor. If an employer leaves a self-insured trust and purchases a policy, there is no data from which NCCI to calculate an experience

Recommendations

modification factor. In situations such as this, NCCI allows a 1.0 (i.e., average) experience modification factor to be used to calculate the employer's premium, workers' compensation administrative tax and Second Injury Fund surcharge to which the employer may not be entitled. The proposed legislative change would require that the experience modification factor indicated by its actual loss experience as a member of a self-insured trust to continue to be used until sufficient data is reported to NCCI to calculate an accurate experience modification factor. The proposal would provide more continuity to employers who change from self-insurance to commercial insurance.

Fraud Investigation

When insurance companies submit an allegation for investigation to the Division's Fraud and Noncompliance Unit, they are unwilling to produce copies of documents or written information without a subpoena. The insurance carriers are concerned about liability. The Division proposes a statutory change to provide insurance companies the protection they seek. This addition would allow the insurance company to provide copies of their records without fear of incurring liability. This would allow the Division more efficient and thorough investigation into allegations of workers' compensation fraud.

Physical Rehabilitation

Senate Bills 1 and 130 (2005) removed language regarding the payment of certain benefits by the employer/insurer when an employee has returned to full time employment but is required to undergo a medical examination to determine the extent of disability or undergo physical rehabilitation. When deleting this language, definition of that which constitutes a "serious injury" also was deleted. This

description of serious injury was used by the Division to determine those injured workers who might be eligible for physical rehabilitation benefits from the Second Injury Fund. The Division proposes inserting the serious injury definition to more efficiently provide decisions to seriously injured workers who are seeking physical rehabilitation.

Postmark Date

The Division wishes to clarify when the payment of the Second Injury Fund Surcharge by an insurance company, self-insured employer or trust would be considered received by the Division and thus not deemed a late payment. The Division proposes language that is already in statute for other state agencies regarding time-sensitive payments of certain fees and taxes. The Division also proposes clarification of the timeliness of payments made electronically. The Division then could more accurately determine the timeliness of Second Injury Fund surcharge payments and therefore make a more accurate determination if any interest or penalties have accrued as a result of a late payment.

Financial Summary



State Fiscal Year 2007

<u>Division</u>	<u>Appropriation</u>
Director and Staff.	\$ 7,478,597
Labor and Industrial Relations Commission	\$ 984,013
Division of Employment Security	\$ 62,374,470 *
Division of Labor Standards	\$ 2,752,214
Division of Workers' Compensation	\$ 87,806,643 **
Missouri Commission on Human Rights.	\$ 1,659,938
Total.	\$ 162,955,875

* This amount includes tax interceptions, claim payments and federal interest payments, but not unemployment insurance benefits.

** This amount includes second injury and tort victims' claims payments and second injury refunds.





Missouri Department of Labor and Industrial Relations
421 East Dunklin Street
P.O. Box 504
Jefferson City, MO 65102-0504

Telephone: 573-751-4091
Fax: 573-751-4135

www.dolir.mo.gov